

Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	1998/0114(COD) Procedure completed
Agenda 2000: European Regional Development Fund ERDF Repealed by 2004/0167(COD)	
Subject 4.70.07 European Regional Development Fund (ERDF) 8.20.26 Enlargement's regional point of view	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	REGI Regional Policy		25/06/1998
		PPE VARELA SUANZES-CARPEGNA Daniel	
	Former committee responsible		25/06/1998
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		PPE VARELA SUANZES-CARPEGNA Daniel	
	Former committee for opinion		26/11/1997
	AGRI Agriculture and Rural Development	ELDR VALLVÉ Joan	
	BUDG Budgets		03/06/1998
		PPE KELLETT-BOWMAN Edward T.	
	ENER Research, Technological Development and Energy		23/06/1998
	PPE CAMISÓN ASENSIO Felipe		
TRAN Transport and Tourism		02/09/1998	
	PSE MCMAHON Hugh R.		
ENVI Environment, Public Health and Consumer Protection		25/02/1998	
	PSE MYLLER Riitta		
CONT Budgetary Control		The committee decided not to give an opinion.	
FEMM Women's Rights		25/06/1998	
	PSE VAN LANCKER Anne		

Key events

18/03/1998	Legislative proposal published	COM(1998)0131	Summary
15/06/1998	Committee referral announced in Parliament, 1st reading		
27/10/1998	Vote in committee, 1st reading		Summary
27/10/1998	Committee report tabled for plenary, 1st reading	A4-0393/1998	
18/11/1998	Debate in Parliament		
19/11/1998	Decision by Parliament, 1st reading	T4-0675/1998	Summary
20/01/1999	Modified legislative proposal published	COM(1999)0018	Summary
14/04/1999	Council position published	06405/1/1999	Summary
15/04/1999	Committee referral announced in Parliament, 2nd reading		
21/04/1999	Vote in committee, 1st reading		
21/04/1999	Committee report tabled for plenary confirming Parliament's position	A4-0256/1999	
21/04/1999	Vote in committee, 2nd reading		Summary
21/04/1999	Committee recommendation tabled for plenary, 2nd reading	A4-0246/1999	
04/05/1999	Debate in Parliament		
04/05/1999	Decision by Parliament, 1st reading	T4-0357/1999	Summary
05/05/1999	Debate in Parliament		
06/05/1999	Decision by Parliament, 2nd reading	T4-0428/1999	Summary
21/06/1999	Act approved by Council, 2nd reading		
12/07/1999	Final act signed		
12/07/1999	End of procedure in Parliament		
13/08/1999	Final act published in Official Journal		

Technical information

Procedure reference	1998/0114(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Repealed by 2004/0167(COD)

Legal basis	EC Treaty (after Amsterdam) EC 162; Rules of Procedure EP 050
Stage reached in procedure	Procedure completed
Committee dossier	REGI/4/10889

Documentation gateway

Legislative proposal	COM(1998)0131	18/03/1998	EC	Summary
Document attached to the procedure	COM(1998)0182	18/03/1998	EC	
Economic and Social Committee: opinion, report	CES1130/1998 OJ C 407 28.12.1998, p. 0074	10/09/1998	ESC	
Committee report tabled for plenary, 1st reading/single reading	A4-0393/1998 OJ C 379 07.12.1998, p. 0004	27/10/1998	EP	
Committee of the Regions: opinion	CDR0240/1998 OJ C 051 22.02.1999, p. 0001	18/11/1998	CofR	
Text adopted by Parliament, 1st reading/single reading	T4-0675/1998 OJ C 379 07.12.1998, p. 0123-0185	19/11/1998	EP	Summary
Modified legislative proposal	COM(1999)0018 OJ C 052 23.02.1999, p. 0012	20/01/1999	EC	Summary
Council position	06405/1/1999 OJ C 134 14.05.1999, p. 0001	14/04/1999	CSL	Summary
Commission communication on Council's position	SEC(1999)0514	15/04/1999	EC	Summary
Committee final report tabled for plenary, 1st reading/single reading	A4-0256/1999 OJ C 279 01.10.1999, p. 0009	21/04/1999	EP	
Committee recommendation tabled for plenary, 2nd reading	A4-0246/1999 OJ C 279 01.10.1999, p. 0009	21/04/1999	EP	
Reconsultation	SEC(1999)0581	28/04/1999	EC	
Text adopted by Parliament confirming position adopted at 1st reading	T4-0357/1999 OJ C 279 01.10.1999, p. 0021-0057	04/05/1999	EP	Summary
Text adopted by Parliament, 2nd reading	T4-0428/1999 OJ C 279 01.10.1999, p. 0254-0292	06/05/1999	EP	Summary
Commission opinion on Parliament's position at 2nd reading	COM(1999)0241	20/05/1999	EC	Summary

Additional information

European Commission

[EUR-Lex](#)

Final act

[Regulation 1999/1783](#)
[OJ L 213 13.08.1999, p. 0001-0004](#) Summary

Agenda 2000: European Regional Development Fund ERDF

OBJECTIVE: in connection with the revision of the Structural Funds, to present the specific Regulation governing the ERDF for the period 2000-2006, taking account of the implications of AGENDA 2000 (COS0590). SUBSTANCE: the proposal concerns only the field of application

of the ERDF, the overall logic being described in depth in the general proposal on the Structural Funds (AVC98090). The proposal does not radically alter the existing Regulation (Regulation (EEC) No 4254/88), as the latter has proved effective. However, it does spell out certain details: - the fund's task is defined more clearly: the ERDF has the objective of promoting economic and social cohesion by correcting regional imbalances and participating in the development and conversion of regions. It is also to contribute to promoting sustainable development and the creation of jobs. - financing: the ERDF participates in 4 types of financing: (a) productive investment, (b) investment in infrastructure, differentiated according to the region concerned, (c) support for the development of endogenous potential (assistance to services for enterprises, technology transfer, etc.), (d) innovative and technical measures. Special attention will be accorded to access to new financing techniques and neighbourhood services. - fields of action: the proposal identifies the fields in which the ERDF is to provide funding: the productive environment, research and technological development, the development of the information society, the protection and improvement of the environment, equality between men and women, European cooperation on regional development. The new Regulation also states the specific field of action of the innovative measures. ?

Agenda 2000: European Regional Development Fund ERDF

The report by Daniel VARELA SUANZES-CARPEGNA (EPP, E) on the European Regional Development Fund (ERDF) comes under the cooperation procedure. The committee acknowledges that the Commission's proposed regulation clarifies and rationalises the scope of the Fund. It focuses attention on the points designed to increase the benefits of investment (e.g. the use of financial engineering techniques or neighbourhood services for companies), while also seeking to have new areas (e.g. equal opportunities) brought within the Fund's remit. MEPs reiterated Parliament's demand that the arts and tourism - which they see as ideal vehicles for boosting regional development - be included in the ERDF's scope. The figures speak for themselves: the arts sector employs 3.1m people in the EU, equivalent to 1.8% of the active population. Tourism - a linchpin of the leisure industry - is undergoing rapid expansion and offers an alternative source of employment where there is industrial decline. The report stresses the role that the ERDF should play in the area of transeuropean networks for transport (including maritime transport), telecommunications and energy, so as to redress the inbuilt disadvantages of remote, isolated or island regions by linking such regions up with each other as well as with the EU's central regions. The committee supports the idea of a new INTERREG programme (devoted to crossborder, transnational and interregional cooperation) but believes that, by the same token, the URBAN initiative, which the Commission wants to abolish, should also continue. ?

Agenda 2000: European Regional Development Fund ERDF

In adopting the report by Mr Daniel VARELA SUANZES-CARPEGNA (EPP, E) Parliament called for the ERDF to contribute in particular to: - compensating for the disadvantages of remote and island regions and improving the situation of regions on the Union's external borders; - the creation of jobs, social integration and equality of opportunity, protection and improvement of the environment and promotion of sustainable and balanced development throughout the Union. In this context Parliament called on the ERDF to intervene with a view to: - creating productive investments allowing the creation and safeguarding of permanent jobs and the adoption of production methods which make economical use of resources; - developing European networks in the area of transport, including maritime transport, telecommunications and energy infrastructures, taking account of the need to create links between island, landlocked and remote regions and between those regions and the Community's central regions; - preserving biodiversity; - supporting local development and employment initiatives and other activities of small and medium-sized enterprises and craft industries; - assisting towards services for enterprises, in particular in the fields of management, new forms of work organisation, eco-auditing and advisory services; - financing the transfer of technology, including the collection and dissemination of information, cooperation between research institutes and enterprises, financing the adaptation of enterprises to new technology, quality procedures and technical and environmental standards; - aid for structures providing neighbourhood services to create new jobs, including the development of the social economy; - supporting regional interinstitutional cooperation and measures to encourage cooperation; - supporting business initiatives in new types of employment; - supporting cultural investment of a job-creating nature, including the protection of the cultural and natural heritage; - developing sustainable tourism, preserving or restoring a region's industrial base, promoting the conversion of military sites, supporting activities to promote urban areas facing problems; - conserving and improving natural habitats; - encouraging local development supporting the organisation of new forms of economic activity, job creation and the improvement of infrastructures. Parliament wished the ERDF to contribute to the development of the Community's urban policy initiative in order to be able to react to future unexpected and severe economic crises at European level. ?

Agenda 2000: European Regional Development Fund ERDF

This amended Commission proposal takes account of the amendments approved by the European Parliament on 19 November 1998 to the Commission's initial proposal. When Parliament's amendments were voted upon, the Commission noted that the vast majority of them did not differ substantially from its proposal. The Commission is able to accept, in full or in part, a number of amendments on the following lines: - they follow the general logic of the reform of the Structural Funds since they simplify the common rules for implementing the Structural Funds and restrict the Regulations governing each Fund to its specific provisions, essentially its scope; - in general, they continue the tried and tested provisions governing the ERDF, adding clarifications where required. In that sense, the Commission does not consider it helpful to select amendments which are acceptable in substance but which seek to specify particular areas or sectors for ERDF assistance which are already covered in more general terms or those which seek to introduce fresh areas of assistance outside the scope of the ERDF. Also included in this revised proposal are the changes made so far in the course of examining this proposal. - In the first recital of the proposed Regulation, reference is now made to the contribution of the ERDF to reducing 'the gap between the levels of development of the various regions and the extent to which the least-favoured regions and islands, including rural areas are lagging behind. - A new recital 4a states that the ERDF should provide assistance within the framework of a comprehensive and integrated strategy for sustainable development and ensure synergy with assistance from other Structural Funds; - Specific reference is also made to the important role of culture and tourism in job creation; - In several instances in the revised proposal, reference is made to the creation and/or maintenance of permanent jobs; - The importance of the diversification of economic sites is also cited as falling within the scope of ERDF funding in Objective 1 and 2 areas; - Also falling within the scope of ERDF funding for equality between men and women, in addition to the establishment of firms, are measures to fund infrastructure and services enabling the reconciliation of family and working life; - The aims of Interreg and Innovative measures are clarified as being the 'harmonious, balanced and sustainable development of the whole of the Community's territory. ?

Agenda 2000: European Regional Development Fund ERDF

Apart from a very small number of specific amendments, the Council's common position follows the Commission's amended proposal in its entirety. The Council thus accepted all the amendments arising from the European Parliament's opinion that were incorporated in the Commission's amended proposal. The Council partially accepted two EP amendments that had been rejected by the Commission, one of which brings 'the creation and maintenance of sustainable jobs in the regions' into Article 2 on the scope of the Regulation and the other makes reference to the possibility of funding for 'joint organisation between enterprises and research establishments'.?

Agenda 2000: European Regional Development Fund ERDF

The Commission is able to support the Council's common position. The common position contains all the proposed amendments which the Commission presented on 20.01.1999, following Parliament's first reading. The Council's common position makes a number of minor changes to the amended proposal adding clarifications to the operative part of the instrument. The Council has transformed the Advisory Committee on the Development and Conversion of Regions into a committee with a two-fold function, one advisory the other managerial. It assigns to this latter function the task of consultation on the detailed implementing rules for the ERDF Regulation. The Commission is able to accept this amendment provided that the 'type II A' management committee procedure is used to cover general rules of application while the 'type I' advisory committee procedure is used for individual decisions on grants of Community aid. The Commission fully endorses the Council's common position, as it is very close to the Commission's amended proposal and Parliament's corresponding amendments. It would be possible, in order to meet the requirements of Parliament's amendments nos. 8 and 37, to conclude a new code of conduct with Parliament on the implementation of the structural policies.

Agenda 2000: European Regional Development Fund ERDF

The Committee has adopted a report on Agenda on the ERDF (European Regional Development Fund). The rapporteur, Daniel VARELA SUANZES CARPEGNA (EPP, E), stressed the need to adopt a resolution to confirm, under the codecision procedure to be used following the Amsterdam Treaty, the first reading of Parliament (which took place on 19th November 1998) before proceeding to the vote at second reading. He then tabled four compromise amendments, drawn up in conjunction with the Council, and drew attention to the fact that any other changes would result in a third reading in Parliament's next term of office, thereby blocking the entire Structural Fund package and the programming of the measures. For this reason he requested that the other amendments tabled in committee be withdrawn. This request was accepted. The four compromise amendments adopted commit the Council to taking into account the need to link island, landlocked and peripheral regions with the central regions of the Community, to widen the scope of the ERDF to include tourism and cultural investment and to ensure that the fund contributes to INTERREG and URBAN. ?

Agenda 2000: European Regional Development Fund ERDF

Following the entry into force of the Treaty of Amsterdam on 01/05/99, the European Parliament confirmed (without debate) as its first reading under codecision procedure its vote of 19/11/98 on the proposal for a European Parliament and Council regulation on the European Regional Development Fund. The Parliament's rapporteur is Daniel Varela Suanzes-Carpegna (ES,PPE).?

Agenda 2000: European Regional Development Fund ERDF

Under codecision procedure, the European Parliament adopted the recommendation by Daniel Varela Suanzes-Carpegna (PPE,ES) for second reading of the proposal for a European Parliament and Council regulation on the European Regional Development Fund (ERDF). The Parliament accepts the Council's common position, but requests that account should be taken of the need to link regions suffering from a structural handicap because of their insular, landlocked or peripheral status to the Community's central regions. It also requests that the Fund's field of application should be extended to include the development of tourism and cultural investment (including the protection of cultural and natural heritage) and that the Fund also contribute to the implementation of 2 Community initiatives, namely INTERREG and URBAN.?

Agenda 2000: European Regional Development Fund ERDF

In its opinion regarding the European Parliament's second reading, the Commission incorporates the four amendments approved by the Parliament. It has amended its proposal as follows: - ERDF funding would also cover spatial planning aspects; - the needs of island, landlocked and very remote regions would be taken into account in the financing of infrastructure contributing to the development of the trans-European networks; - inclusion of job-creating tourism and cultural investment, already supported in practice, among the examples of areas that can be financed through ERDF contributions; - the addition of a fourth Community Initiative to be financed by the ERDF, to encourage the economic and social regeneration of cities and urban neighbourhoods in crisis (URBAN).?

Agenda 2000: European Regional Development Fund ERDF

PURPOSE: recasting of the ERDF Regulation for the period 2000-2006. COMMUNITY MEASURE: Regulation 1261/1999/EC of the European

Parliament and the Council on the European Regional Development Fund (ERDF). CONTENT: The Regulation covers the scope of the ERDF, whereas the overall provisions governing the Structural Funds are dealt with in detail in the General Regulation on the Structural Funds (AVC980090). The new Regulation does not radically alter the previous regulation (Regulation 4254/88/EEC) but nevertheless lays down certain specific provisions : - better defined tasks: the ERDF will intervene with respect to the new Objs. 1 and 2, the Community initiatives in favour of cross-border, transnational and interregional cooperation (INTERREG) and the economic and social regeneration of cities and neighbourhoods in crisis (URBAN), as well as innovative actions and technical assistance measures, as laid down in the General Regulation. In order to reduce the gap in the levels of development of various regions and the less favoured regions and islands, including rural regions, the ERDF contributes to the harmonious, balanced and sustainable development of economic activities, to a high degree of competitiveness, a level high level of employment and environmental protection and to fostering equality between men and women. - Funding: the ERDF engages in 4 types of funding: a) productive investment to create and safeguard sustainable jobs; b) investments in infrastructures which, in regions covered by Obj. 1, helps to increase the economic potential, development, structural adjustment and creation or maintenance of sustainable jobs in those regions, the diversification of economic sites and industrial areas suffering from decline and the renewal of depressed urban areas, as well as rural areas, and areas dependent on fisheries. These investments may also contribute to the establishment and development of trans-European networks in the areas of transport, telecommunications and energy infrastructures; c) the development of endogenous potential by measures which encourage and support local development and employment initiatives and the activities of small and medium sized enterprises (SMEs): services for businesses, technology transfer, improvement of access to finance and loans, direct aid to investment, provision of infrastructure on a scale appropriate to local and employment development and aid for structures providing neighbourhood services to create new jobs; d) investment in the fields of education and health (only in Obj. 1 areas). The areas in which ERDF measures provide support include development of the productive environment, research and technological development, development of the information society, protection and improvement of the environment, equality between men and women in the field of employment, and transnational, cross-border and inter-regional cooperation. The Regulation also lays down the specific scope of innovative actions. - Implementation: implementing rules may be adopted on the basis of the opinion of the Committee on the Development and Conversion of Regions. ENTRY INTO FORCE: 29.06.1999.?